



# **SOUTH DAKOTA DEPARTMENT OF LABOR**

## **PAMELA S. ROBERTS, SECRETARY**

September 15, 2008

Senator Jason Gant, Chair  
Government Operations and Audit Committee (GOAC)  
c/o Gary L. Hoscheid  
Department of Legislative Audit  
427 South Chapelle  
Pierre, SD 57501

Dear Senator Gant:

Thank you for agreeing to receive information via letter for the September GOAC meeting. We will be available to discuss and answer questions on these matters at your October meeting. Following is the South Dakota State Electrical Commission's response to your request dated September 3, 2008.

**1. What is the Electrical Commission's policy for the rates or fees assessed to entities such as cities or rural electric coops for inspections and are the rates or fees uniform?** The Commission follows the following statute and rules that address fees:

SDCL 36-16-27. Electrical work to comply with rules--Wiring permit required before connection. All electrical wiring, apparatus, or equipment shall comply with the rules promulgated and adopted by the State Electrical Commission. The rules shall conform to approved methods of construction and promote the safety of life and property. No new electrical service entrance except for communication service may be connected for use until a wiring permit has been furnished to the person, firm, or corporation supplying electrical energy certifying that a wiring permit has been obtained in compliance with the rules promulgated by the commission. However, a wiring permit for emergency temporary service may be issued by the commission in accordance with its rules promulgated pursuant to chapter 1-26.

Administrative Rule 20:44:18:02. Obtaining a wiring permit. Wiring permits may be obtained for \$5 each from the Commission office by calling 1-800-233-7765. An owner doing wiring in compliance with SDCL 36-16-15 may obtain wiring permits from the commission office, from power suppliers, or from state electrical inspectors for \$5 each. Wiring permits are valid for a maximum of three years from the date the permit is taken out. Electrical installations that extend beyond three years from that date must have new wiring permits posted and sent to the commission office before the expiration of the three-year limit. Failure to date the wiring permit at the start of the job constitutes a late wiring permit procedure and subjects the installer to a \$250 administrative fee. Failure to renew the permit on electrical installations not completed constitutes a late wiring permit procedure which subjects the installer to a \$100 administrative fee.

SDCL 36-16-30. Installation inspection fees. The State Electrical Commission may promulgate rules, pursuant to chapter 1-26, to establish and collect installation inspection fees for: new residential installations, based on ampere capacity; service connections on other installations, based on ampere capacity; circuit installations or alterations, based on ampere capacity; remodeling work for each opening, connection, lighting fixture, motor or special equipment; apartment buildings per unit; outdoor or area lighting per lighting standard; field irrigation systems; mobile home service and feeders; recreational vehicle service per unit; swimming pools; each late correction order or wiring permit procedure; carnivals and seasonal dwellings for each generator or transformer and re-inspection of each unit; wiring permits; modular homes and structures manufactured out-of-state.

Section (Administrative Rules).

20:44:20:01	Inspection fees for new residential electrical installations.
20:44:20:02	Inspection fees for service connections on other electrical installations.
20:44:20:03	Inspection fees for circuit installations or alterations.
20:44:20:04	Inspection fees for electrical installations associated with remodeling projects.
20:44:20:05	Inspection fees for electrical installations in apartment buildings.
20:44:20:06	Inspection fees for electrical installations serving outdoor signs and area lighting.
20:44:20:07	Inspection fees for electrical installations serving field irrigation systems.
20:44:20:08	Inspection fees for mobile home services and feeders.
20:44:20:09	Inspection fees for electrical installations at recreational vehicle parks.
20:44:20:10	Minimum fee for requested electrical inspections.
20:44:20:11	Cost of wiring permit not included in inspection fee.
20:44:20:12	Fee for late corrections.
20:44:20:13	Inspection fees for electrical installations serving swimming pools.

**2. The cities of Madison and Vermillion paid fees and should not have paid the fees. What are your procedures in place to prevent unwarranted fees from being collected from cities and the process followed to refund said fees?**

It is our determination, based on state statute and rule, that the City of Madison appropriately paid the fees. The City of Vermillion has not paid any fees to the State Electrical Commission because the state office had no knowledge the City of Vermillion was changing out their meters until it was mentioned at the August 19 GOAC meeting. Upon investigation, it was determined a State Electrical Inspector (who no longer works for the commission) was asked by the City of Vermillion if permits were required, and he responded they are not. The Commission tries to ensure the state electrical inspectors are familiar with statute and rule and if they have questions whether a permit or inspection is required they are required to refer to the commission or the central office. This oversight by a former State Electrical Inspector was done without consulting the State Electrical Commission. My understanding is the Vermillion change-outs have already been completed, but we will look into this issue to determine if inspections are warranted.

If there is a situation that warrants a refund, it would be handled with the Department of Labor's fiscal staff. A voucher would be issued.

**3. What is the current status of the reciprocal agreement issues with North Dakota's Electrical Commission?**

I believe the issues have been resolved or are nearly resolved. Todd Kolden recently

spoke with the Executive Director of the North Dakota Electrical Board and the South Dakota Electrical Commission staff provided the information they were requesting.

**4. The name(s) of the individual(s) currently giving examinations; how are those examinations being administered and who proctors the examinations?**

Effective August 1, the International Code Council (ICC) administers the exams through contract with Pearson Vue. Pearson Vue proctors the exams at their facility in Sioux Falls. Other locations in the surrounding area include Casper, WY, Bismarck, ND, Willmar, MN, and the Twin Cities. Pearson Vue not only proctors the electrical exams but other exams for various professions as well. The actual exam is taken on a computer and consists of a random number of questions selected from a database of 3,000. The commission approves individuals for the exam; the commission submits the approved names to the ICC; they forward them to Pearson Vue; the individual takes the exam; and then the commission is notified of the exam score.

The Electrical Commission is working with Pearson Vue to procure additional testing locations in South Dakota. The commission met with ICC and Pearson Vue by conference call on September 10<sup>th</sup> and they will follow up with the commission in the near future.

**5. What are the continuing professional education requirements or expectations and who provides the continuing education?**

Administrative Rule 20:44:17 contains the requirements:

Continuing education requirements. Sixteen hours of continuing education credits are required each two years for biennial renewal of a license or registration by electrical inspectors, electrical contractors, journeyman electricians, Class B electricians, and apprentice electricians.

Electricians obtaining a license or registration in the first year of a biennium must meet the scheduled continuing education requirements for renewal of their license or registration.

Electricians obtaining a license in the second year of the biennium are not required to meet the scheduled continuing education requirements until the second renewal of their license or registration.

Inactive electrical contractors, inactive Class B electricians, and inactive journeyman electricians must provide proof of meeting the continuing education requirements when applying for an active license.

Licensed and registered electricians called into active military service are exempt from continuing education requirements for 12 months following their release from active military service.

Continuing Education (CE) is provided primarily by the State Electrical Inspectors but they must be approved by the commission (in form) prior to conducting a CE class. There are currently 12 pre-scheduled classes held throughout South Dakota with a few of them located in North Dakota and Minnesota.

**6. Under what authority is the Commission issuing special licenses for apprentice and journeyman electricians where hours can not be verified?**

The State Electrical Commission has no statutory authority to issue special licenses. This practice has been terminated and all licenses are being reviewed.

**7. What is the Electrical Commission's policy on refunding overpayment of fees by individuals or cities?**

If a refund is warranted, the Department of Labor's fiscal staff would issue a voucher.

**8. How are the number and location of temporary inspectors determined?**

Their location has been determined by the number of permits in a given district. This is currently being reviewed in an effort to develop a more feasible and effective means of scheduling inspections around the state.

**9. Does the Electrical Commission have insurance coverage in place in the event of negligence by an individual holding a "special license"?**

Before becoming licensed as an Electrical Contractor or Class B electrician all individuals must be bonded, and hold public liability insurance and property damage insurance. An apprentice or journeyman cannot enter into a contract to do electrical work, only an Electrical Contractor and Class B electrician may do so.

**In addition to the questions above, the Committee also desires copies of all information in hard copy form and electronic form concerning the following individual's licensure information:**

- 1. David Waldner Jr., Bon Homme Colony**
- 2. Jacob Hofer, Cedar Grove Colony**
- 3. Jason Wingert**
- 4. Leonard Waldner, Grass Ranch Colony**
- 5. Henry Waldner, Hillside Colony**
- 6. Glen Waldner, Newport Colony**
- 7. Bill Waldner, Pearl Creek Colony**
- 8. John Hofer, Pembroke Colony**
- 9. Herbert Wipf, Plainview Colony**
- 10. Brian Wipf, Rockport Colony**
- 11. Don Stahl, Spring Valley Colony**
- 12. Arnold Hofer, Spring Creek Colony**
- 13. Johnathan Waldner, Grass Ranch Colony**
- 14. Ron Nagle**

See Attachment 1

**The committee further requests:**

- Copies of licensing information provided to prospective applicants, including forms and applications.**

See Attachment 2

- A copy of the most recent audit completed on the Electrical Commission.**

See Attachment 3

• **Copies of all written and electronic communication with the North Dakota Electrical Commission.**

See Attachment 4

• **The names of every individual who has been issued a special license including the copies of the application and documentation of the verified hours and the name of the individual verifying the hours for those individuals awarded a special license.**

See Attachment 5

If you have further questions or concerns, please contact me at 605-773-3101.

Sincerely,

A handwritten signature in black ink that reads "Pamela S. Roberts" followed by a long horizontal flourish.

Pamela S. Roberts  
Secretary

cc: Todd Kolden, South Dakota Department of Labor  
Jason Dilges, Commissioner, Bureau of Finance and Management